

IN THE HIGH COURT OF JUSTICE
SENIOR COURT COSTS OFFICE

CLAIM NO: JR 1902065

COSTS JUDGE ROWLEY

BETWEEN:

LONDON BLOCK EXCHANGE LTD

Claimant

- and -

SQUIRE PATTON BOGGS (UK) LLP (Solicitors)

Defendant

SKELTON ARGUMENT OF THE CLAIMANT
FOR HEARING BEFORE MASTER ROWLEY
TUESDAY 30TH APRIL 2019 at 10:30AM

1. Introduction:

This Skeleton Argument is prepared on behalf of the Claimant ("C") to assist the Court. C is a financial institution, regulated by the Financial Conduct Authority. C is legally represented in relation to 2 matters arising out of the apparent solicitor-client relationship with the Defendant ("D") that is a firm of solicitors.

- a) D has applied to wind up the Claimant, absent a Judgment/Order/Claim on the basis of 2 interim requests for payment for apparent solicitors' services. Its application is being defended at the High Court of Justice, case no: CR-2019-001356 and continues despite no determination at the SCCO. On 9th April, C attempted to agree directions in order to incorporate them into the Winding Up Petition proceedings so same time table applies. The Winding Up is reliant on the validity of the bills that C disputes. D did not agree to that and on 10th April the Winding Up Judge was addressed on the issue on solicitors bills rather than the matter first being determined by SCCO.
- b) C, having requested a Final Bill and been refused one, had no choice but to issue an Application for the delivery of the Final Bill.
- c) D has not filed any reply thereto but has written a letter to C's solicitors' *senior partner* with WPSAC points therein hence it is not admissible as inter partes correspondence. That letter has not been filed with the Court. No Witness Statement nor a proper reply was ever made served or filed by D in these proceedings.

Background:

2. This hearing is unnecessary and takes places further to a telephone hearing of 9th April 2019 only because the D did not:
 - 2.1 Agree Draft Directions as per 9th April hearing after C e-mailed them immediately after the hearing
 - 2.2 Reply to C's correspondence for 14 days
 - 2.3 Agree draft directions and still does not agree
 - 2.4 Attempt to agree Directions
 - 2.5 Attempt to narrow the scope of the hearing
 - 2.6 Explain the position on £13,000 deposited in its account by C's investor

Key issues:

3. **Retainer:** There is no signed LoE between parties. D states that it has conducted solicitors' work for C and that D was a solicitor for C. C's position is that D was approached via an external contractor not an employee and not a Director for work useful to that contractor as a friend to a friend. A friend of that contractor who worked as a solicitor for D. D sent invoices to that contractor who in 2019 asserted that the responsibility for payment was on C. Periods of the claimed retainer are unknown as it is the end point of the alleged retainer.
4. **Particulars of fees sought.** These have not been particularized, hourly rates are not agreed, Terms and Conditions have not been signed or explained, it is unknown which solicitor has had conduct of this matter.
5. **£13,000 placed with D.** C's investor worried about the Winding Up and placed £13,000 with D. D's interim request for payments amount to £10,523.54 and its Winding Up petition is for that amount. C is at utter loss as to what D is claiming money for and how much.
6. **Winding Up,** although D considers itself to be or have been a solicitor for C, it did not issue a claim against D but proceeded to Wind it Up. The Winding Up is based on the invoices that needed to be assessed by SCCO, the Winding Up process is not equipped to do so and submissions on technicalities of Solicitors bill were made at the Winding Up hearing on 10th April 2019. This is a waste of court's time and Winding Up, that was not ordered on 10th April needed to have its timetable incorporated in conjunction with the SCCO.

Chronology

12.03.18 External contractor of C states to C that he needs a law firm for his own work
13.03.18 that contractor speaks to D via a friend who works at D but signs no LoE and nothing for C
20.03.18 Contractor has contact with D but not for C
21.03.18 Contractor receives his own LoE for him but does not sign
05.06.18 D starts asking contractor for money
26.10.18 Contractor receives invoices, no explanation or breakdown
08.01.19 C's contractor confirms to D that he is not responsible for their invoices
10.01.19 Mr Hill of D writes to introduce himself to contractor of C
15.01.19 C's contractor confirms that he is external and not C
27.01.18 D starts asking C for more money
28.02.19 D's application to Wind Up C
12.03.18 C's Investor sends D £13,000 to close the matter, but D continues on
26.03.19 C's solicitors request Final Bill and Certificate of Service of Final Bill
27.03.19 C's 2nd request for Final Bill
27.03.19 D's email asking what a Final Bill is
27.03.19 C's warning of an SCCO Application
27.03.19 D asking what SCCO proceedings are, and for "*statutory provisions*" for SCCO claim
27.03.19 C's further request for a Final Bill
04.04.19 C issued and served SCCO Application
04.09.19 SCCO Application filed in Winding Up proceedings and re-served
08.04.19 C's Application for a telephone hearing at SCCO before the Winding up Petition
08.04.19 D opposes the SCCO tel. hearing before Winding up
08.04.19 D states it will adjourn Winding Up and no need for SCCO hearing on 09.04.19
09.04.19 D it does not adjourn Winding Up
09.04.19 Telephone hearing before Master Rowley, SCCO
09.04.19 Draft SCCO Directions e-mailed to D immediately but no reply
09.04.19 C's Draft Directions filed with WS in the Winding Up petition
10.04.19 Winding Up hearing at HCJ, Directions given absent SCCO matter
15.04.19 Absent Agreed Directions, SCCO Order sent to parties listing the matter on 30.04.19
25.04.19 E-mail from D opposing Draft Directions of 09.04.19 asking for Order and issued Application
26.04.19 D calls SCCO makes unilateral arrangements for tel. hearing
26.04.19 C's letter to D setting out the position on Draft Directions of 9th April 2019
29.04.19 D comments for an online press release about C "*debt it is owed*"
29.04.19 D refuses to clarify the position of £13,000 paid thereto by C's Investor

7. Hearing on 9th April 2019

In accordance with the comment made by Master Rowley on 9th April 2019, the Claimant submitted to the Defendant immediately following the hearing, by e-mail, a draft form of Order for Directions as follows:

(1) The Defendant must within 28 days deliver to the Claimant, or to his solicitor, a bill of costs in respect of invoices number 2622803 dated 29th March 2018 and invoice number 2624225 dated 25th April 2018.

(2) The Defendant must give credit in that bill for all money received by him from or on account of the bills mentioned in Item (1).

(3) The Claimant to serve Points of Dispute within 28 days of the date of the Bills of Costs of the Defendant to include any issues in relation to the Retainer.

(4) The Defendant to serve any Replies within 28 days of service upon the of Points of Dispute.

(5) Either party to apply for a Detailed Assessment hearing within 3 months of the date of service of Replies.

8. The Defendant failed to respond to the proposed directions until just two days before the hearing fixed for 30th April 2019. There followed a series of lengthy exchanges between the parties with the Defendant failing to deal in any way with the issue of directions.
9. The matter has been drawn out totally unnecessarily in to issues that were either irrelevant or matters to be dealt with in the assessment.
10. The Claimant seeks an order as above with costs incurred between the parties arising out of the attached correspondence and hearing today to be payable by the Defendant to be assessed if not agreed.

PAUL WHITE
COSTS LAWYER FOR THE CLAIMANT

DATED: 30th April 2019